An Update on our Financial Position

August 20, 2025

Dear Colleagues:

We know the suspension of federal research funding has created uncertainty and disruption across campus. In our last two town halls, we heard many stories about the ways in which the suspension is affecting our faculty, staff, students, researchers and trainees — in your work, your labs, your daily lives. We want to acknowledge not only the professional impacts but also the emotional toll this has taken.

Through all the difficulties, our mission remains the same: Advancing research, education and service for the public good. Carrying out that mission is only possible because of the dedication and commitment you demonstrate even in the most challenging moments. We are grateful for everything you have done and continue to do for UCLA.

Facing Hard Realities Together

Following up on Chancellor Frenk's message from last week (https://chancellor.ucla.edu/messages/meeting-the-challenges-ahead-as-one-ucla), we want to reassure you that UCLA is in close discussion with UC leadership about paths forward to try to restore research funding. Our immediate priority is to sustain the research enterprise. We are doing this via a thorough review process, grant by grant, alongside campus deans and faculty members. This gives us a better understanding of where support is needed most.

The suspension of research grants unfortunately compounds the financial challenges we face as a university. Prior to the federal administration's actions this summer, we were taking difficult but necessary steps to reduce operational costs — including instituting a 10 percent budget reduction for administrative units, limiting travel expenditures and establishing a hiring review process. The hiring review is in place to ensure that critical positions — especially those tied to our academic

mission — remain prioritized in a difficult budget environment. Our focus is on student worker hires and new faculty hires that were planned or in process. We have paused on subsequent faculty hiring for the coming academic year while we evaluate our financial situation.

An additional step we are taking is closely examining administrative operations across the university to identify cost savings and redeploy resources back into our academic mission. In this vein, we have been thoughtfully exploring ways to align and streamline services that are currently distributed across multiple units on campus, beginning with information technology.

Strategic Consolidation to Support Our Mission

Goal 5 (https://strategic-plan.ucla.edu/become-a-more-effective-institution) of our Strategic Plan was launched two years ago to make UCLA more streamlined, nimble and ready to meet the challenges and opportunities we face. Given our current financial realities, this goal has become an immediate and urgent focus.

As part of this effort, we will continue the work of consolidating certain shared administrative services that are currently spread across campus units. This will enable us to reduce redundancy, improve coordination and generate savings that will support our core mission.

Digital & Technology Solutions (https://dts.ucla.edu/) (DTS) is in the process of consolidating distributed IT teams across administrative and academic units, with clear and immediate benefits. DTS will continue efforts that started several years ago in order to boost our cybersecurity readiness; ensure more equitable access to high-quality IT services; and free up resources to elevate teaching, research and innovation.

We will be prudent in making organizational changes, and do so in close collaboration with leaders across campus. Any shifts we make will be driven by a single purpose: to ensure that every dollar and every hour spent contributes to the public mission we all share. Next week, UCLA's leadership team will write to you with additional details regarding the consolidation of information technology services.

Looking Ahead

While we make these necessary changes, particularly through consolidation, we must also remain deeply respectful of those who make this university work. These changes affect real people — our colleagues, our teams and our students.

Some of the decisions ahead will be difficult. But in a moment shaped by external pressures and uncertainty, we must respond in ways that are thoughtful and forward looking. These efforts will help position UCLA to remain strong and stand ready to make a positive impact for generations to come.

We, along with Chancellor Frenk and other campus leaders, remain committed to working through these challenges alongside Academic Senate leadership, in the spirit of shared governance. We also commit to sharing updates with you as we continue to navigate this moment together.

Sincerely,

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